

15 November 2021

Stephanie Frame
Manager, Fast-track Consenting Team
Ministry for the Environment
PO Box 6143
Wellington 6143

By e-mail: fasttrackconsenting@mfe.govt.nz, cc: s 9(2)(a)

Dear Stephanie,

RE: TAUHEI SOLAR FARM PROJECT- FURTHER INFORMATION

Please see below responses to your request for further information, dated 8 November 2021.

1. *Is the lease agreement mentioned in the application currently in place?*
 - a. *If so, who are the parties to the lease and what is the lease period?*
 - b. *If not, when is the lease proposed to be signed and are there any potential barriers to it being signed?*

Harmony Energy NZ Limited (Harmony NZ) has a registered option over the land. It is free to exercise that option and will do so when consents are in place, there are no barriers to doing so. The option is in respect of an Easement Agreement over the land which contains all the land rights needed to construct and operate the solar farm for 34 years. Please see attached for a copy of the Easement Agreement (redacted in respect of commercially sensitive financial information) which has been registered against the landowners title. It is being shared on a strictly confidential basis.

2. *In regard to works required to connect to Transpower assets:*
 - a. *Are any works proposed as part of this project or are these works subject to a separate approval process?*
 - b. *Has Transpower agreed to undertake works required to connect to Transpower assets and if so when are these works likely to be completed?*
 - c. *Are any works required to connect to Transpower assets anticipated to delay project delivery?*

The underground cabling to the boundary of the Waihou substation forms part of this application. Work within the Waihou substation does not.

Waihou substation has already been upgraded and has an abundance of export capacity at 33kV (the connection voltage of the project). The modern 33kV switchgear, within the station, provides the opportunity to connect directly to the substation via four new 33kV metering circuit breakers that Transpower will install within the existing compound (directly on the end of the existing equipment). Given the small scale of this work, it is likely that this will either a) fall within the existing outline plan approvals, or b) it will be subject to an outline plan waiver, however this is for Transpower to determine and is not seen as a barrier to the implementation of the project.

Transpower have agreed to undertake this work with First Power scheduled for 27 October 2023. No delays are expected as a result of work required at the substation.

3. *In regards to the location of underground cables located outside the main project site:*

- a. Can you provide a map indicating where cables are proposed to be located under roads or in road reserves as this forms part of the project site?
- b. Have discussions commenced with the Matamata-Piako District Council about using the road reserve for the proposed underground cables?
- c. If not, are there any potential barriers to agreements being reached to carry out works within the road reserve and occupy the road reserve?

Please see attached a map with the approximately location of cabling identified.

A pre-application meeting regarding the project (including the grid connection) was held with Matamata-Piako District Council (as is detailed in the application). At that time, no concerns were raised by the Council in regard to the underground cabling, however in depth conversations regarding this have not yet been undertaken. Matamata-Piako District Council's website states that a Corridor Access Request, along with a Traffic Management Plan will need to be submitted via www.beforeudig.co.nz before any works occur within the road reserve. The purpose of this process is to ensure traffic safety and avoid any disruption/damage to existing infrastructure. Given that there are no Council pipes located on the eastern side of Mikklesen Road and that Mikklesen Road has a wide berm and a low traffic volume, it is not anticipated that there will be any difficulties in obtaining this approval.

4. Financial and other supporting information to demonstrate that the project will be able to deliver on the employment and investment certainty objectives of the FTCA Act.

A copy of the Work Phases and Job Creation report prepared by GreenEnco in relation to this project is attached for your reference.

In regard to finance, the equity finance will be provided by Harmony Energy Limited. Harmony Energy Limited is a successful, well capitalised, UK based renewable energy project development business with strong links to New Zealand and the Waikato (please see below). Harmony recently raised § 9(2)(b)(ii) through an IPO on the London Stock Exchange and consequently it is in an extremely strong cash position [[Harmony Energy Income Trust raises § 9\(2\)\(b\)\(ii\) through IPO | This is Money](#)].

Debt finance for renewable energy projects is widely available in the banking market. Harmony has recently transacted with NatWest and is in the process of transacting with Santander. Both banks have lent extensively against solar assets in Europe and Santander offers corporate banking services in Australasia. Harmony has had informal, early-stage discussions with ASB and ANZ and both lenders are enthusiastic about further discussions when consents are in place. In the UK Harmony has also raised debt finance against its UK assets with pension fund USS. Harmony is not anticipating any issues raising debt finance.

In financing the Tauhei Solar Farm Project, Harmony also has the option to collaborate with one of the partners it has worked with in the UK. Those partners include:

- (1) FRV (www.frv.com/en/www.frv.com/en/), [A representative from FRV's Sydney office visited the Tauhei Solar Farm Project site on 9th of December 2020]
- (2) Tag Energy (<https://www.tag-en.com/>) [Harmony will invite Tag to visit the site after Pete has resettled in New Zealand, as explained below]
- (3) BayWa (www.baywa.com) [Harmony will invite BayWa to visit the site after Pete has resettled in New Zealand, as explained below]

The transactions Harmony has closed with Tesla and FRV have been extensively reported on online. The Tag Energy and BayWa transactions are confidential but will be announced this month. References can be provided if required in the meantime.

One of the owners/directors of Harmony is Pete Grogan. Pete is a New Zealander whose family is originally from Matamata (which is only a 20 minute drive from the project site). In 2019 Pete spent five months in New Zealand accessing solar farm project opportunities. The intention at that time was to establish Harmony Energy NZ Limited in 2020/21, however, Covid-19 prevented that from

happening. Pete is now returning to New Zealand on 21 January 2022 to develop the Tauhei Solar Farm Project. He will be living in Karaka and establishing the Harmony Energy New Zealand office from there.

5. Whether the applicant *is an overseas person under that definition in the Overseas Investment Act 2005 (OIA) and whether any Overseas Investment Office approvals, exemptions, or call-in notifications are required for the development to proceed; either because the land is sensitive land, the development is a significant business asset with the OIA, or for any other reason.*

The Overseas Investment Act does not apply because the Applicant is not buying or leasing the land. As above at 1., the Applicant will be accessing the land via the Easement Agreement with the landowner. Easements are outside the Overseas Investment Act because the landowner retains extensive rights of access, occupation, and control over the land and, in this case, will continue to use the land for *Farming Activities* in parallel with the activities of the Applicant. Farming Activities are defined in the Easement Agreement as “grazing sheep or other suitable livestock on the Land and/or cropping grass or other suitable crops from the Land”). The owner of the land is New Zealand based company Tauhei Farms Limited (which is owned by Ian and James Dibble who are both farmers from Te Aroha).

Kind Regards,



Christina Walker
Senior Planner and Hamilton Manager
4Sight Consulting Ltd

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**SOLAR POWER FARM
EASEMENT AGREEMENT**

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the Official Information Act 1982

AGREEMENT dated

2020

PARTIES

- (1) HARMONY ENERGY NZ LIMITED ("HENZ")
- (2) TAUHEI FARMS LIMITED ("Owner")

BACKGROUND

- A. The Owner owns the Land.
- B. HENZ is interested in developing a solar power project. It has identified the Land as potentially suitable for such development, and wishes to secure land use options for the Land.
- C. The solar power equipment used on the Land, should a solar power farm be established, will be industry standard technology.
- D. Should monitoring, engineering and consenting work indicate a solar power farm is feasible, HENZ may install solar panels and associated infrastructure on the Land (exact locations to be confirmed) on the terms set out in this Agreement.

AGREEMENT

1. Definitions

- 1.1 "Easement" means registered electricity and right of way easements in gross in the form set out in Schedule A.
- 1.2 "HENZ" means Harmony Energy NZ Limited and includes its subsidiaries, related companies and their successors, assigns, licensees, and where appropriate, their employees, contractors, surveyors, engineers, invitees and inspectors.
- 1.3 "Land" means all the estate and interest of the Owner in the property situated at 241 Mikkelsen Road, Te Aroha and 30 Alexander Road, Te Aroha being Lot 1 Deposited Plan 30983, 23.6943 hectares more or less as contained in Record of Title SA802/157; being Lot 2 Deposited Plan 30983, 20.0598 hectares more or less as contained in Record of Title SA797/217; being Part Lot 2 Deposited Plan 12478, 29.9480 hectares more or less as contained in Record of Title SA723/228; being Part Lot 1 Deposited Plan 10272 and Lot 2 Deposited Plan 346931, 101.0969 hectares more or less as contained in Record of Title 192929; being Section 15 Block XI Aroha Survey District, 87.6397 hectares more or less as contained in Record of Title SA41D/367.
- 1.4 "Owner" means Tauhei Farms Limited, the registered owner of the Land.
- 1.5 "Easement Area" means all of the Land depicted on the Plan in Schedule B but excluding those parts retained exclusively for use by the Owner being the Retained Land and Buildings.

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- 1.6 "Retained Land and Buildings" means those parts of the Land containing buildings including houses, farm buildings, barns, cowsheds and effluent ponds.
- 1.7 "Royalty Fee" means the consideration referred to in clause 3.1 of Schedule A.
- 1.8 "Commencement Date" means the 1st day of June immediately following the Notice of Exercise of Option referred to in clause 3.1 of this Agreement.

2. **Grant of Licence and Option**

- 2.1 In consideration of payment of the sum of [REDACTED] to the Owner by HENZ, such sum payable upon demand by the Owner, the Owner agrees to grant to HENZ the following rights over the Land:
- (a) A non-exclusive licence for 60 months from the date of this Agreement to carry out testing, surveys or other investigations, conduct a feasibility study in relation to the Land and for any other purpose associated with the resource consent application required for the establishment of a solar power farm on the Land.
 - (b) An option to acquire the Easement as set out in clause 3.
- 2.2 If HENZ is satisfied with the results of its site investigations (as detailed in clause 2.1(a)) and upon one months' written notice of this from HENZ, HENZ and the Owners may agree such additional extension of the licence (as detailed in clause 2.1(a)) as is reasonably necessary, but not exceeding 24 months, to obtain the resource consent (allowing for delays outside of HENZ's control, including third party objections and/or legal proceedings). In such case HENZ must have:
- (a) commenced and is continuing work on the resource consent application; and
 - (b) made reasonable progress towards obtaining the resource consent or completing the resource consent application.
- 2.3 For the purpose of clause 2.1(a) the Owner shall allow HENZ, its employees and consultants (with or without vehicles) to have reasonable access to the Land for the purposes of the site investigations. Where practicable HENZ will notify the Owner at least 24 hours prior to accessing the site, detailing the nature of the activities to be performed. Where necessary, or where reasonably required by either party, HENZ will in conjunction with the Owner, develop and agree upon protocols to safely manage any activity on the Land.
- 2.4 HENZ acknowledges that it enters the Land during the licence period at its own risk and it will use all due care to identify and mitigate against any hazard arising from the Owner's farming activities so as to protect its plant, equipment and personnel from any harm or damage which may result from the Owner's farming activities, except where such damage or harm may result from the Owner's wilful negligence or reckless acts or omissions.

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2.5 In exercising its rights under this Agreement, HENZ will use its reasonable endeavours to avoid disruption to any of the farming activities on the Land which are not inconsistent with this Agreement.

2.6 Throughout the term of the licence HENZ shall be responsible for the disposal of all its rubbish and debris from the Land.

3. **Option to acquire easement**

3.1 In consideration for the option fee in clause 2.1 and during the licence period (as detailed in clause 2.1(a) and including any extension agreed in accordance with clause 2.2) the Owner grants and HENZ shall have the right or option (the **Option**) to acquire the Easement. The Option shall be exercisable no earlier than 30 June and no later than 31 December in any year ("Notice of Exercise of Option")

3.2 During the term of the licence period the Owner shall not enter any new agreements which cannot be terminated on 12 months' notice or less without the written consent of HENZ. The Owner warrants it has disclosed to HENZ full details all current agreements prior to HENZ entering into and executing this Agreement.

3.3 If the Owner requests HENZ's consent in accordance with clause 3.2 above the Owner and HENZ shall work together in good faith to agree a notice period that does not result in the Owner losing income or HENZ delaying the construction and connection of its solar power farm.

3.4 If the Option is exercised:

(a) The Owner will:

- (i) sign all documents necessary to define and create the Easement to enable registration of the Easement on the record(s) of title to the Land;
- (ii) do all things necessary to ensure the Easement is able to be registered without delay; and
- (iii) obtain the consent of any mortgagee of the Land or any other party whose consent may be required to the registration of the Easement; and
- (iv) upon receipt of the Initial Payment (as defined below), immediately cancel any sharemilking agreements relating to the Easement Area (or notify the relevant parties that the sharemilking arrangements will not be renewed), to the intent that no sharemilking agreements will be in place on the Commencement Date.

(b) HENZ will:

- (i) upon exercise of the Option, pay an amount equivalent to three months' of Royalty Fee ("Initial Payment") to the Owner as an advance payment of the Royalty Fee due in the first year of the Easement;
- (ii) following receipt of reasonable evidence from the Owner that it has complied with clause 3.4(a)(iv) above, pay a further amount equivalent to three

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- months' of Royalty Fee ("Further Payment") to the Owner as an advance payment of the Royalty Fee due in the first year of the Easement;
- (iii) at its cost obtain a survey plan for the Easement Area;
 - (iv) create the easement instrument for registration of the Easement;
 - (v) following execution of this Agreement, pay up to a maximum of [REDACTED] (plus GST and disbursements) towards the Owner's reasonable legal costs incurred in relation to this Agreement and execution of the Easement; and
 - (vi) pay its own costs in respect of this document and any documents required to create and register the Easement, including any subsequent variation or surrender.
- (c) The parties agree that the Initial Payment and the Further Payment shall be non-refundable save in the event of a breach of this Agreement by the Owner which breach is not remedied within 30 days of the date HENZ notifies the Owner in writing of the breach. In those circumstances the Owner shall reimburse the Initial Payment and the Further Payment to HENZ within 20 working days of receiving a demand for payment by HENZ pursuant to this clause (with any default by the Owner in making that payment to be treated as a debt due and subject to the provisions in clause 4.3 of the terms in Schedule A).

4. General Provisions

- 4.1 As soon as practicable after exercise of the Option, HENZ shall, at its cost, arrange for an independent rural valuation expert (the **Expert**) to compile a property report to record the condition of the Land prior to the construction of the solar power farm (the **Land Condition Report**). The Expert shall provide each party with a copy of the Land Condition Report. The Land Condition Report will be annexed to the Easement as evidence of the condition of the Land prior to HENZ's equipment being installed. Each party will be deemed to have accepted the Land Condition Report unless it provides notification to the other party it does not approve the same, such notification to be given within 5 working days of the date of receipt of a copy of the Land Condition Report (time being of the essence). If the parties cannot agree the condition of the Land within 10 working days of receipt of such notification, the matter will be referred to a registered valuer (**Valuer**) appointed by the vice president of the New Zealand Institute of Valuers to determine the matter and his decision in the matter shall be final. The Valuer shall also decide how the costs of the determination shall be borne.
- 4.2 HENZ may, as soon as practicable and at its own cost, secure all necessary resource consents under the Resource Management Act 1991 which may be required in respect of all works to be carried out and the use of the Land pursuant to the Easement. The Owner shall not oppose or support any opposition to any application for such consents. If required by HENZ the Owner shall support in writing any applications for resource consents which may be required in respect of the works.
- 4.3 All equipment installed, constructed or placed on the Land by HENZ shall at all times remain the property of HENZ and subject to the supervision and control of HENZ. If HENZ does not exercise the Option or by notice in writing to the Owner cancels its rights pursuant to this Agreement, then HENZ shall remove all such equipment from the Land and restore the surface

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of the affected land as far as is practicable to its condition prior to such installations and equipment being installed, placed or constructed.

- 4.4 The Owner shall not grant any right or rights over the whole or any part of the Land to any person (other than HENZ) which are similar in nature to any of the rights granted or agreed to in this Agreement by the Owner or which could in any way be prejudicial to the interests of HENZ under this Agreement; and in particular the Owner shall not permit any other such person to carry out any testing on the Land to trial or establish any solar powered electricity generation equipment on the Land.
- 4.5 The Owner shall maintain in the strictest confidence, for the sole benefit of HENZ, all information relating to the transaction evidenced by this Agreement, including HENZ's site testing data, product design, methods of operation, methods of construction, electric power production, testing information and all aspects of HENZ's business and the like, whether disclosed by HENZ or discovered by the Owner, unless such information is either:
- (a) in the public domain (through no act or omission of the Owner or the Owner's employees or agents) by reason of prior publication; or
 - (b) already known to the Owner at the time of disclosure and the Owner was free to use or disclose the same without breach of any obligation to any person or entity.

Except as stated above, the Owner shall not use any such information for its own benefit, publish or otherwise disclose it to others, or permit its use by others for their own benefit or to the detriment of HENZ.

- 4.6 Except as provided in this Agreement and the Easement, the Owner is not entitled to compensation in respect of the Easement or the solar power equipment on, over or under the Easement Area.
- 4.7 If the Owner agrees to transfer or assign any interest in the Land or grant an interest in the Land to any person before the Easement is registered, the Owner will at its cost obtain from any such person a deed of covenant in a form acceptable to HENZ that such person will comply with the provisions of this Agreement in addition to or in the place of the Owner.
- 4.8 HENZ may, without the Owner's consent, assign its interest in this Agreement and/or the Easement to any company within its group or to any party providing equity or debt finance for the development or construction of the solar power farm provided the assignee executes a Deed of Covenant in favour of the Owner whereby the assignee shall covenant and agree to observe and comply with HENZ's obligations under this Agreement. HENZ may, with the Owner's consent, assign its interest in this Agreement and/or the Easement to any other party provided the assignee executes a Deed of Covenant in favour of the Owner whereby the assignee shall covenant and agree to observe and comply with HENZ's obligations under this Agreement.
- 4.9 This Agreement will terminate on registration of the Easement against the record of title to the Land, however the parties' obligations pursuant to clause 3.4 will, to the extent they have not been complied with, remain and will survive termination.

- 4.10 The rights granted under this Agreement and the Easement create an interest in land in favour of HENZ which HENZ may protect by the registration of a caveat against the record of title to

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the Land. HENZ will, on request (and at the Owner's cost) provide the Owner with its consent as caveator to any dealings with the Land, including any lending structure, provided those dealings are not prejudicial to HENZ's interests under this Agreement and/or the Easement.

- 4.11 For the avoidance of doubt the Owners occupation of the land for farming or otherwise shall not be limited in any way from the date of this agreement until the Commencement Date.
- 4.12 Where an agreement or consent is required under this Agreement, neither party may unreasonably or arbitrarily withhold agreement or consent.
- 4.13 In the event of a dispute under this Agreement the provisions of clause 27 of the Easement shall apply to this Agreement as if such clause were set out in this Agreement with appropriate modifications.
- 4.14 Each party's liability (and the liability of anyone that that party is responsible for) to the other for the breach of its obligations pursuant to this Agreement, will be limited to the direct and actual costs of the other party, to a maximum of ~~100,000~~ per event or series of related events, and ~~100,000~~ in any 12 month period, and specifically excludes: indirect, consequential, or economic loss and loss of profit. For the avoidance of doubt, the limits of liability in this clause shall not apply to a party's liability for the full amount of any insurance held or required to be held for a relevant event or series of related events. Each party will take all necessary steps to mitigate any loss, liability or damage it may suffer as a result of a breach or non-performance by the other party of the terms of this Agreement.
- 4.15 Any trustee entering into this Agreement who does not have any beneficial interest in the assets of the trust and who does not at any relevant time commit a breach of trust does not have an unlimited liability under this Easement and their liability is limited to the actual amount recoverable from the assets of the trust from time to time.
- 4.16 This Agreement may be executed in two or more counterparts, all of which will together be deemed to constitute one and the same agreement. A party may enter into this Agreement by signing a counterpart copy and sending it to the other party, including by facsimile or e-mail.

SIGNED for and on behalf of)
 HARMONY ENERGY NZ LIMITED)
 by a duly authorised signatory)
 in the presence of:)

Witness signature:

Witness name:

Occupation:

Address:

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SIGNED for and on behalf of
TAUHEI FARMS LIMITED by
two directors:

)
)
)

I. G. Dibble

.....
Ian George Dibble

J. A. Dibble

.....
James Arthur Dibble

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the Official Information Act 1982

SCHEDULE A

Easement instrument to grant easement
(Grant of Electricity Easement and Rights of Way Easement In Gross)

Annexure Schedule 2

1. **Definitions**

"Commencement Date" means the 1st day of June immediately following the Notice of Exercise of Option referred to in clause 3.1 of the Easement Agreement.

"Contamination" means the presence in, on or under the Land of a substance at a concentration above the concentration at which the substance is normally present in, on or under (respectively) land in the same locality, being a presence that presents a risk of harm to human health or any other aspect of the environment;

"CPI" means the Consumer Price Index (All Groups) as published by Statistics New Zealand (or any successor organisation) on an annual basis. If that index ceases to be published on an annual basis or if the basis of calculation of the index is fundamentally changed then CPI will mean an index on which the parties agree or failing agreement as may be determined by an independent expert with the appropriate qualifications and expertise appointed by the President for the time being of the Institute of Chartered Accountants of New Zealand;

"Easement Agreement" means the Solar Power Farm Easement Agreement dated [x];

"Equipment" means any building, structure, improvements, works, devices, infrastructure, apparatus, appliance, fixtures, fittings or machinery installed or constructed on the Easement Area by or for the Grantee (even if it has become a fixture to the Land) for the operation of the solar power farm, including the meteorological station, photovoltaic panels, inverters, electricity substations, control buildings, solar technology equipment, other related energy equipment, communication and transmission equipment used to generate and transmit electricity by direct conversion from sunlight.

"Easement Area" means those parts of the Land marked on the Plan and as described in Schedule A of this Easement.

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"Farming Activities"	means grazing sheep or other suitable livestock on the Land and/or cropping grass or other suitable crops from the Land provided that such activities are at all times consistent with the Grantor's non-interference obligations contained in this Easement (clauses 6.1 and 6.2).
"GST"	means goods and services tax payable under the Goods and Services Tax Act 1985 or any similar or substituted tax.
"Land"	means all the estate and interest comprising the burdened land identified and contained in Records of Title SA802/157, SA797/217, SA723/228, 192929 and SA41D/367.
"Land Condition Report"	means the Land Condition Report in Annexure 1 of this Easement.
"Plan"	means the deposited plan referred to in Schedule A of this Easement.
"Retained Land and Buildings"	means those parts of the Land containing buildings including houses, farm buildings, barns, cowsheds and effluent ponds shown on the Plan.
"the Grantee's Business"	for the purposes of this Easement means the Grantee's business (to the extent that it is conducted on or from the Land) of converting solar powered energy to electricity including the establishment, operation, maintenance, use, repair and replacement of equipment, the sale and delivery of electricity, and all other reasonably related activities.
"the Grantor" and "the Grantee"	have the meanings under the Land Transfer Regulations 2018 and includes their executors, administrators, successors (including successors in title) and assigns.
"Works"	means all works undertaken by or on behalf of the Grantee on, under, over or above the surface of the Land pursuant to this Easement and includes all excavations, structures, installations, equipment and other works of whatever description carried out on, under, over or above the surface of the Land for the purposes of or in relation to or connected with this Easement and includes all work or works reasonably necessary to enable the Grantee to obtain the benefit of this Easement.

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2. **Grant**

The Grantor grants to the Grantee the easement in gross in clause 2.1 and 2.2 for a term of 35 years.

2.1 **The Right to Convey Electricity** shall include the full, free, uninterrupted and unrestricted right, liberty and privilege for the Grantee at all times (subject as otherwise herein expressly provided):

- (a) To have free and unimpeded passage of sunlight over the Land for conversion to solar powered electricity for the generation and production of electricity; and
- (b) To transmit and reticulate electricity onto, through and from the Easement Area, whether or not such electricity is generated on the Land or elsewhere.

2.2 **AND** for all or any of the above purposes the Grantor authorises and permits the Grantee, (subject as otherwise herein expressly provided):

- (a) To install, erect, construct or place any Equipment on, under, over or above the surface of the Easement Area for the purposes of this Easement;
- (b) To operate and use the Equipment on, under, over or above the surface of the Easement Area for the generation, production, transmission and reticulation of electricity;
- (c) To maintain, inspect, monitor, repair, replace, add to, relocate or remove all or any of the Equipment on, under, over or above the surface of the Easement Area;
- (d) To remove, lop, cut, prune or clear any shrubs, trees, plants, crops or pasture on the Land to allow unimpeded access to sunlight whether direct or indirect to any part of the Land for the operation of the Equipment, subject to any restrictions under any law, or under this Easement;
- (e) To monitor any aspect of the operation of the Equipment (including undertaking surveys for the purpose of monitoring the operational performance of the Equipment for issues including shadowing);
- (f) To have the full and unimpaired access to the Easement Area and to remain on, under, over or above the surface of the Land in order to monitor the operation of the Equipment and otherwise to carry out and conduct the Grantee's business;
- (g) To enter and exit the Land by any access point the Grantee considers reasonable to exercise its rights under this instrument or gain access to its Equipment;
- (h) To erect fences along the boundaries of the Land and of any areas of the Land on which any Equipment is situated and as previously agreed with the Grantor;
- (i) To increase the size of existing entrances and gateways giving access to the Land and to make alternative access and entrances and to remove fences, gates, walls trees and

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hedges on, under, over or above the surface of the Land to allow execution of any of the works permitted hereunder and as previously agreed with the Grantor;

- (j) To undertake any other activities, whether accomplished by the Grantee or a third party authorised by the Grantee, which the Grantee (after consultation with the Grantor) reasonably determines are necessary, useful or appropriate to accomplish any of the purposes hereunder;
- (k) To carry out on, under, over or above the surface of the Easement Area all other works as are required for the exercise of the powers and authorities hereby granted or accomplishing the purposes of this Easement.

3. Royalty and Payments

3.1 In consideration of the grant of this Easement the Grantee shall pay the Grantor an annual royalty of ~~10000~~ (plus GST) per hectare or part thereof of the Easement Area (Royalty Fee).

3.2 The parties acknowledge that any part of the Royalty Fee in respect of the first year of the Easement paid in advance by the Grantee to the Grantor in accordance with the terms of the Easement Agreement will be deducted from the Royalty Fee payable under this Easement.

3.3 Subject to clause 3.2, the Royalty Fee shall be paid by quarterly payments in advance from the Commencement Date until this Easement expires or is terminated in accordance with clause 21.

3.4 In the event of default by the Grantee in payment of the Royalty Fee, such default is to be treated as a debt due to the Grantor together with interest at a rate of 4 percentage points above the Grantor's Bank overdraft rate PROVIDED THAT this provision is without prejudice to all other rights and remedies available to the Grantor.

3.5 For the avoidance of doubt the Royalty Fee shall remain payable until such time as the Land has, in all material respects, been returned to the condition it was in at the time of the Grantee's first occupation in accordance with this Easement, as detailed in the Land Condition Report.

3.6 The Grantee shall cause the Royalty Fee payments to be made by direct bank transfer to the Grantor or as the Grantor may otherwise direct.

3.7 The Royalty Fee for the time being payable shall be reviewed annually on each anniversary of the Commencement Date to an amount equal to the Royalty Fee payable by the Grantee during the 12 month period immediately prior to the relevant date of review multiplied by the aggregate percentage change in the CPI during the period which corresponds as nearly as possible to the period from the Commencement Date or the last date of review (whichever is the later) to the date of review. The annual Royalty Fee will be adjusted from the relevant anniversary date and notwithstanding any other provision in this clause, shall not be less than the annual Royalty Fee payable during the preceding 12 months.

3.8 If the CPI is discontinued and not replaced, or if there is a material change to the basis of calculation of the CPI, or a resetting of the CPI, an appropriate index which reflects the change in the cost of living in New Zealand as agreed by the parties and failing agreement to be

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determined by an expert appointed by the president or vice president of the New Zealand Law Society will be used.

- 3.9 In addition to the Royalty Fee the Grantee shall pay a maximum of ~~XXXXXX~~ plus GST per annum towards the Grantor's energy costs, on receipt of reasonable evidence from the Grantor as to the amount expended. For the removal of doubt this is towards the energy costs of the Grantors group operations and not limited to just the Land.

4. Rates and Taxes

- 4.1 The Grantee shall be responsible for all rates and taxes levied against the Land except any increases in rates and taxes attributable to the activities of the Grantor and town water supply charges, which shall both remain the responsibility of the Grantor. The Grantor agrees that if town water supply is cut off due to a failure by it to pay, the Grantee may, at its sole discretion in all matters, (i) pay the supply charges (ii) recover such charges and associated costs from the Grantor (as a debt payable on demand or as a reduction in the Royalty Fee payable) and (iii) take such other steps (at the Grantor's cost in all respects) as may be reasonably necessary to ensure town water supply is reinstated and continues.

- 4.2 The Grantor shall provide the Grantee with such invoices and information together with evidence of any payments as shall be requested or necessary for the Grantee to claim tax credits or refunds in connection with the Grantee's payments.

- 4.3 In the event that either party defaults in the payment of any rates or taxes then the other party may effect payment and recover the same from the defaulting party as a debt due together with interest at a rate of 4 percentage points above the Grantor's Bank overdraft rate **PROVIDED THAT** this provision is without prejudice to all other rights and remedies available to such other party.

5. Siting, Density and Use of Equipment

- 5.1 The Grantee shall:

- (a) Use its reasonable endeavours to site the Equipment on the Easement Area (where this is possible without detracting from the efficiency or effectiveness) in such manner as shall least affect the Grantor's use of the Land for Farming Activities.
- (b) Determine the areas on which photovoltaic panels are to be situated after consultation with the Grantor and taking into consideration the wishes of the Grantor to the extent that such wishes are not inconsistent with the intent and purpose of this Easement;
- (c) Consult with the Grantor in respect of every site development plan for the Land prior to construction, showing the Grantor the proposed location of roads, accessways and overhead power lines on the Land.
- (d) Provide to the Grantor on request, copies of any reports, maps, surveys, engineering studies, and similar documents and related information prepared, commissioned, received or obtained by the Grantee in connection with or relating to the Land.

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- (e) As soon as reasonably practicable, provide the Grantor with advance written notice of the date intended for commencement of any significant Works, such notice to be not less than six months. The Grantee shall use best endeavours to ensure that such Works are carried out and completed without undue delay after commencement but shall not be responsible for any delay, which is beyond its reasonable control.
- (f) Establish a project control group (Group) including its' representative and such ~~representative~~ as maybe nominated by the Grantor whose role shall be to monitor the construction process. The Group shall meet regularly and at such frequency as may be required to ensure all matters arising in the course of construction are dealt with in a timely manner and so as to minimise delays. The establishment of the Group shall be for the cost of the Grantee, however, each Party shall be responsible for its own representatives costs.

5.2 The Grantee shall:

- (a) Not take dogs on to the Land.
- (b) Not hunt or permit any other person to hunt on the Land.
- (c) Leave any gates as it finds them (i.e., open if open or shut if shut).
- (d) Not leave loose tools, plant, equipment or materials on the Land in a manner which may be likely to cause damage to machinery or injury to the Grantor's employees, agents or contractors or livestock.
- (e) Provide during any Works toilet facilities for its employees, workmen and contractors.
- (f) Use its reasonable endeavours to exercise its rights so as to minimise disruption to the Farming Activities which are not inconsistent with the intent and purpose of this Easement or the rights granted.
- (g) Not allow to enter the Land any members of the public other than those invitees of the grantee under the direct supervision of the Grantee or its nominated representative.

6. Grantor's Use of the Land

6.1 The Grantor shall have the right to use the Land for the Farming Activities that do not and will not interfere with the Grantee's operations or enjoyment of the rights granted. The Grantor shall not plant or permit the planting of any trees, shrubs or other vegetation or the erection or establishment of any structure on the Land which:

- (a) In the reasonable opinion of the Grantee or its appropriate officer may interfere with the Grantee's operations or works on the Land or impair the efficient operation of the Equipment; or
- (b) May endanger or cause nuisance to the Grantee's operations, works, employees, agents or contractors in the course of their duties; or

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- (c) May transgress any statutory regulation relating to the Grantee's Business or the Grantee's Works, installations or equipment installed, erected, constructed or placed on the Land.
- 6.2 The Grantor shall not interfere with or permit the interference with:
- (a) Any of the Grantee's equipment or its efficient operation or the conduct of the Grantee's business or any activity under this Easement except as otherwise expressly authorised under this Easement;
- (b) The construction, maintenance, operation or replacement of the Equipment.
- 6.3 The Grantor shall, upon receiving 28 days prior written notice and if reasonably requested to do so by the Grantee, move any livestock away from the Equipment or Works while the Grantee is carrying out any establishment, development, maintenance, or other works reasonably necessary.
- 6.4 The Grantor reserves the right to:
- (a) erect buildings on the Land (other than in the Easement Area, where no building or other structure shall be erected by or for the Grantor without the Grantee's prior written approval which may be given or withheld at the absolute discretion of the Grantee), provided that the Grantor must obtain the Grantee's prior written approval as to the location of such buildings but such approval shall not be unreasonably withheld where such buildings will not interfere with Equipment which the Grantee has installed or may plan to install on the Land, or the operation thereof or the carrying out of the Grantee's Business;
- (b) remove dwellings, farm buildings and effluent ponds from the Land subject to the Grantor first providing the Grantee with a programme of work for the removal at least two weeks prior to commencement and, provided that: (i) the Grantor takes into consideration any plans of the Grantee and any reasonable concerns raised by it, and varies the programme of work accordingly; (ii) the removal does not interfere with Equipment which the Grantee has installed or may plan to install on the Land, or the operation thereof or the carrying out of the Grantee's Business (provided that such activities do not breach clauses 6.1 and 6.2 of this Easement); and
- (c) take all reasonable steps in accordance with good farming practice to clear and keep clear the Land from any weeds, rabbits and vermin in their sole and absolute discretion (provided that such discretion is at all times exercised in a manner that does not breach clauses 6.1 and 6.2 of this Easement).
- 6.5 The Grantee and the Grantee's representatives shall be entitled, without charge, to use any and all roads and accessways constructed by the Grantor on the Land. Each party is responsible for the repair and maintenance of the roads and accessways, and to contribute to the associated costs, in proportion to its use of the relevant roads and accessways (which the parties will agree in good faith).
- 6.6 Any repair or maintenance that is attributable solely to an act or omission by the Grantor or the Grantee must be promptly carried out by that party at their sole cost. However, if the

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repair and maintenance is only partly attributable to an act or omission by the Grantor or the Grantee:

- (a) that party must pay the portion of the costs of the repair and maintenance that is attributable to that act or omission; and
- (b) the balance of those costs is payable in accordance with clause 6.5.

6.7 The Grantee shall provide the Grantor with keys and combinations, as appropriate, and such other information as is necessary to enable the Grantor easily to unlock all locks which may block such roads or accessways or otherwise prevent the Grantor (except as may be otherwise provided herein) from using the Land freely.

7. Public Liability Insurance

7.1 The Grantor and the Grantee shall each maintain adequate public liability insurance with reputable insurers to insure any loss which they could respectively sustain by reason of their respective use of the Land for which they could be liable to the other or to any third party.

7.2 Both parties' public liability insurance will be for at least [REDACTED] or such other amount from time to time reasonably required by the Grantee.

7.3 Upon request from a party to this agreement, each party shall provide a copy of any policy or certificate of currency in respect of the insurance to be maintained pursuant to this clause.

8. Requirements of Government Agencies

8.1 The Grantee shall at its own cost be responsible for undertaking all environmental impact reports and to obtain and renew all land use and other consents which may be required by any local or territorial authority under the provisions of the Resource Management Act 1991 or any other legislation in relation to the Grantee's use of the Land pursuant to this Easement.

9. No Warranty

9.1 The Grantor gives no warranty to the Grantee as to the suitability of the Land for the purposes of the Grantee's business or any operations contemplated by the Grantee for use of the Land pursuant to this Easement.

10. Ownership and Supervision of Equipment

10.1 The Grantor shall have no ownership or other interest in any Equipment placed on the Land by or for the Grantee, and the Grantee may remove any such Equipment at any time. All Equipment placed on the Land by or for the Grantee shall remain at all times subject to the supervision and control of the Grantee and shall remain the property of the Grantee subject only to any provision to the contrary in this Easement.

11. Grantee's Powers and Rights

11.1 The rights granted are not in substitution for and are without prejudice to such statutory rights and authorities as the Grantee may have in respect of the Land and of the Grantee's Business and the Grantee's Equipment, Works, installations and facilities, and the Grantee may exercise and enjoy all authorities, powers, rights, remedies, immunities from liability, privileges,

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liberties and licences contained or implied or (without being limited or restricted by anything herein) which it now or in the future may possess or be entitled to or have vested in it by virtue of any statute or at law.

12. Restriction on Competitive Use

12.1 The Grantor shall not, during the currency of this Easement, grant any similar easement, lease, licence or right over the whole or any part of the Land or any similar easement, lease licence or right to be varied, or assigned to any other person other than the Grantee or the Grantee's nominee unless:

- (a) The Grantor has obtained the prior written consent of the Grantee;
- (b) The Grantee's consent is subsequently endorsed on the easement instrument or other instrument granting similar rights; and
- (c) The Grantor procures that any person being granted a similar easement or interest enters into a Deed of Covenant in favour of the Grantee to be bound by the provisions of this clause and to be bound not to do anything that interferes with the rights and powers of the Grantee under this Easement nor cause the Grantee to breach its obligations under this Easement.

12.2 The Grantor shall not permit any person other than the Grantee to establish any solar power facilities on the Land for any commercial purpose.

13. Maintenance and Repairs

13.1 The Grantee shall at all times keep, maintain and repair at its own expense its equipment and works, placed on the Land in a good state of repair for the purposes for which it was designed and shall prevent the same from becoming a nuisance. All maintenance and repair works which may cause disruption to the Farming Activities shall be carried out and completed by the Grantee as expeditiously as reasonably practicable.

13.2 The Grantee shall (at its sole expense) monitor, in accordance with industry practice, all Equipment it places on the Land, and shall operate the Equipment in a safe, clean and responsible manner.

14. Rubbish and Debris

14.1 Throughout the term of the Easement the Grantee shall be responsible for the disposal of all its rubbish and debris from the Land.

15. Damage

15.1 The Grantee shall:

- (a) Take reasonable and proper care not to damage any property or livestock of the Grantor.
- (b) Repair and make good all damage to buildings, fences, gates or drains on the Land caused by the Grantee.

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- (c) Carry out all Works with as little disturbance as possible to the Grantor's Farming Activities and livestock and with as little damage as possible to the surface of the Land and to the pastures.
- (d) Where appropriate with reasonable dispatch at its cost restore such surface and pastures to their former conditions immediately prior to such damage occurring.

15.2 The Grantor shall:

- (a) In carrying on the Farming Activities or in exercising any other rights or powers of the Grantor on the Land take reasonable and proper care not to damage of any of the Grantee's equipment.
- (b) From time to time repair and make good all damage to such equipment caused by the carrying out by the Grantor of any such activities or the exercise of any such rights or powers by the Grantor or by any person under the authority or reasonable control of the Grantor.

16. **Hazardous Materials**

- 16.1 Neither the Grantor nor the Grantee nor their agents or contractors shall do or authorise anything to be done or violate any law, ordinance or regulation relating to any substance or waste which is classified as hazardous or toxic, or which is damaging or deleterious to the property of the other (including the equipment), and each party shall indemnify the other against the consequences of any such thing authorised or done or any such violation by such party or by the agents or contractors of such party. However, the Grantee is not responsible nor liable for any Contamination of the Land which was in existence prior to the Commencement Date.

17. **Indemnity**

- 17.1 The Grantee shall indemnify and save harmless the Grantor upon demand against any and all liability, claims, costs, expenses and obligations of whatsoever nature (except to the extent that such liability is the proximate result of the Grantor's negligent actions or wilful misconduct) which may be made by a third-party against the Grantor or against any of the Grantor's assets including the Land to the full extent that such liability, expense or loss arises out of or in connection with any negligent act or omission of the Grantee or of the Grantee's employees, independent contractors, agents, invitees, suppliers, labourers or other representatives.

- 17.2 The Grantor shall indemnify and save harmless the Grantee upon demand against any and all liability, claims, costs, expenses and obligations of whatsoever nature or kind (except to the extent that such liability is the proximate result of the Grantee's negligent actions or wilful misconduct) which may be made by a third-party against the Grantee or against any of the Grantee's assets including the Grantee's interest under this Easement to the full extent that such expense, loss or liability arises out of or in connection with any negligent act or omission of the Grantor or of any of the Grantor's employees, independent contractors, agents, invitees, suppliers, labourers or other representatives.

- 17.3 Except as expressly provided to the contrary, the Grantor bears no responsibility whatsoever for the condition or maintenance of any equipment used by the Grantee in the Grantee's

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business; and the Grantee shall indemnify the Grantor fully for any expense or liabilities the Grantor incurs in respect thereof.

17.4 Except as expressly provided to the contrary, the Grantee bears no responsibility whatsoever for the condition or maintenance of the Land or any of the Grantor's improvements thereon; and the Grantor shall indemnify the Grantee fully for any expense or liabilities the Grantee incurs in respect thereof.

17.5 Both parties will take all reasonable steps to mitigate any loss, liability or damage it may suffer as a consequence of any claim by a third-party pursuant to this clause 17 and will not admit liability, settle or compromise any claim without the other party's consent (which consent will not be unreasonably withheld or delayed).

18. Limitation of Liability

18.1 Notwithstanding any other provision in this Easement, but without limiting clause 3 and clause 17, each party's liability (and the liability of anyone that that party is responsible for) to the other for the breach of its obligations pursuant to this Easement, will be limited to the direct and actual costs of the other party, to a maximum of \$50,000 per event or series of related events, and \$50,000 in any 12 month period, and specifically excludes: indirect, consequential, or economic loss and loss of profit. For the avoidance of doubt, the limits of liability in this clause shall not apply to a party's liability for the full amount of any insurance held or required to be held for a relevant event or series of related events.

19. Transfer

19.1 The Grantee shall have the right, without need for the Grantor's consent, to transfer the Grantee's estate or interest in this Easement and all of the Grantee's rights in respect of all or any part of the Land to any company within its group or to any equity or debt finance funder of the solar power farm on the Easement Land provided the transferee executes a Deed of Covenant in favour of the Grantor whereby the transferee shall covenant and agree to observe and comply with the Grantee's obligations in this Easement. The Grantee may, with the Grantor's consent (such consent not to be unreasonably withheld or delayed), transfer its interest in this Easement to any other party provided the transferee executes a Deed of Covenant in favour of the Grantor whereby the transferee shall covenant and agree to observe and comply with the Grantee's obligations in this Easement.

19.2 Any person shall not, after ceasing to be registered as proprietor of such estate or interest, be liable to perform the Grantee's obligations under this Easement, but without releasing or discharging such person from any liability arising while such person was so registered; and on registration of the transfer of such estate or interest in this Easement such person shall be released from all further obligations of the Grantee accruing from the date of such registration.

20. Subsidies

20.1 If a subsidy is introduced to incentivise landowners to make land available for solar power farm projects and the Land qualifies for such subsidy, the Grantee acknowledges such subsidy shall be for the benefit of the Grantor.

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- 20.2 If a subsidy is introduced to incentivise investors to invest in solar power farm projects and the solar power farm project on the Easement Land qualifies for such subsidy, the Grantor acknowledges such subsidy shall be for the benefit of the Grantee.
- 20.3 Otherwise than as set out above, if the solar farm project or the Easement Area becomes eligible for subsidies, the Grantor and the Grantee shall allocate the applicable subsidies equally between them.

21. Termination

21.1 The Grantor shall have the right to terminate this Easement by notice in writing to the Grantee (which shall become effective immediately on the receipt of such notice by the Grantee) if the Grantee shall fail to remedy any default or breach in the performance or observance of any of the provisions of this Easement which materially affects the Grantor's farming activities or the Grantor's use and enjoyment of the Land and such failure shall continue for a period of 180 days after the Grantee and all sub-licensees of the Grantee of whom the Grantor is aware receive from the Grantor a notice in writing setting forth in reasonable detail the facts pertaining to such default or breach and specifying the method of remedy **PROVIDED THAT** if remedying such default will take longer than 180 days no notice to terminate this Easement shall be given after the Grantee or any licensee shall have begun to remedy such default or breach and is thereafter diligently carrying out the remedial action to completion.

21.2 The Grantee shall have the right to terminate this Easement at any time prior to 1 December in any year, effective upon written notice to the Grantor from the Grantee ("Termination Notice") and such termination shall be effective as at 1 June of the ensuing year ("the Termination Date"). Such termination shall not relieve the Grantee from any obligations accrued prior to the Termination Date or which are intended to continue beyond termination. For the avoidance of doubt, and by way of example only if a termination notice is served after 1 December 2020 the termination date shall be 1 June 2022 and if a termination notice is given say on 1 November 2020 the termination date shall be 1 June 2021.

21.3 Upon the Termination Date, the Grantee shall:

- (a) execute and provide to the Grantor a good and registrable surrender of this Easement and all of the Grantee's estate or interest in and in respect of the Land and rights and shall pay to the Grantor all legal costs and registration fees relating to registration of the surrender; and
- (b) Restore the Land to the same condition as provided for in the Land Condition Report.

22. Removal of Equipment on Termination

22.1 On the surrender, cancellation, expiry of the term or termination of this Easement in respect of all or any part of the Land, the Grantee shall remove from the relevant land all its Equipment (except for any permanent roadways constructed by the Grantee), repairing all damage, restoring the surface of the relevant land to as near as reasonably possible to the condition of the Land as provided for in the Land Condition Report and leaving the relevant land electrically safe and otherwise in a safe condition free from hazardous structures and material introduced on to the relevant land by the Grantee, and the Grantee shall comply with all relevant statutory obligations.

22.2 Should the Grantee fail to carry out any of its obligations under this clause then the Grantor shall be entitled to do so at the cost of the Grantee. Ownership of equipment not removed

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from the relevant land by the Termination Date shall transfer to the Grantor. If the Grantee remains solvent on the Termination Date, then any costs incurred in respect of this clause will be deducted from the Insolvency Bond ("as described below") and reasonable evidence of costs incurred provided by the Grantor shall be sufficient to satisfy the stakeholder holding the Insolvency Bond.

- 22.3 At the written request of the Grantor, the Grantee shall, to the extent it is permitted to do so, allow the Grantor to retain any improvements to the Land, provide always that:
- (a) the Grantee shall incur no liability for doing so;
 - (b) any costs incurred by the Grantee as a result of the Grantor's request and any ongoing costs relating to the retained improvements shall be for the account of the Grantor; and
 - (c) the Land Condition Report shall be deemed amended to reflect the Grantor's requests.

23. Security Bond and Grantee Solvency

23.1 On or before the Commencement Date the Grantee shall pay the sum of ~~200,000~~ (Insolvency Bond) to a stakeholder to hold on interest bearing on call deposit with a bank registered under the Reserve Bank of New Zealand Act 1989 in the joint names of the Grantee and the Grantor. Interest earned net of any withholding tax and bank and stakeholder fees will follow the destination of the capital. If the parties are unable to agree on a stakeholder, the Insolvency Bond will be paid to a stakeholder nominated on the application of either party by the president for the time being of the New Zealand Law Society.

23.2 On the fifth anniversary of the Commencement Date and every five years thereafter ("the Adjustment Date") the Insolvency Bond will be increased (but not decreased) in accordance with the percentage change in the consumer price index (all groups) for the corresponding period published by Statistics New Zealand or other governmental agencies since the later of the Commencement Date and the immediately preceding Adjustment Date..

- (a) The Grantee shall pay the amount of the adjustment to the stakeholder to be held in accordance to this clause 23.2 within thirty days of the Adjustment Date.

23.3 The Grantor may access the Insolvency Bond in the event of an Insolvency Event (as defined below), or pursuant to clause 22.2 above.

23.4 The Grantor's entitlement to the Insolvency Bond shall be limited to such amounts as are due in accordance with this Easement and unpaid by the Grantee.

23.5 Insolvency Event means any of the following events in respect of the Grantee:

- (a) The Grantee either:-
 - (i) goes into liquidation (other than a voluntary liquidation for the purposes of reconstruction or amalgamation); or
 - (ii) is wound up or dissolved; or

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- (iii) makes any material composition, assignment or other arrangement with its creditors; or
- (iv) has a receiver or manager appointed in respect of any of its assets.

23.6 The Insolvency Bond arrangement shall remain in place until receipt by the stakeholder of written notification from the Grantor the Insolvency Bond is no longer required, expiry of the term or termination of this Easement in accordance with clause 21 or payment made by the stakeholder to the Grantor of all amounts due under clause 22 and clause 23 provided that in any event the Insolvency Bond shall remain in place until all amounts properly claimed under clause 22 and clause 23 are paid . Following termination of the Insolvency Bond arrangement the stakeholder will pay the balance of the Insolvency Bond (if any) to the Grantee.

24. **Force Majeure**

24.1 If performance of any obligation is prevented or substantially restricted or interfered with by reason of an event of "Force Majeure", the affected party, upon giving notice to the other party, shall be excused from such performance to the extent of and for the duration of such prevention, restriction or interference.

24.2 The affected party's notice must specify:

- (a) The cause and extent of its inability to perform any of the obligations;
- (b) The likely duration of the non-performance.

24.3 No party is required against its will to settle any strike, lockout or other industrial disturbances.

24.4 Performance of any obligation affected by force majeure will be resumed as soon as reasonably possible after the termination or reduction of the force majeure.

24.5 The affected party shall use its reasonable efforts to avoid or remove the causes of non-performance.

24.6 "Force Majeure" means fire, earthquake, flood or other casualty or accident; labour disputes; war, civil strife or other violence; any law, order, proclamation, regulation, ordinance, action, demand or requirement of any government agency or regulatory authority; or any other act or condition whatsoever beyond the reasonable control of the affected party.

25. **Confidentiality**

25.1 Both parties shall maintain in the strictest confidence, for the sole benefit of the other party, all information relating to:

- (a) The Grantee's site or product design, methods of operation, methods of construction, electric power production, wind testing information;
- (b) All aspects of a party's business and the like which the party has identified as confidential at the time of disclosure; and

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- (c) All other information which can reasonably expected to be of a commercially sensitive nature, whether disclosed by a party or discovered by the other party,

unless such information:

- (d) Is in the public domain by reason of the registration of this Easement or (through no act or omission of the disclosing party or its employees or agents) by reason of prior publication; or
- (e) Was already known to the disclosing party at the time of disclosure and the party was free to use or disclose the same without breach of any obligation to any person or entity.
- (f) Provided to or required by the party's legal, advisory and financial consultants for the express purpose of providing expert advice to the party in matters relating to the project.
- (g) Required by prospective purchasers of the Land, provided a separate confidentiality agreement is entered into by both the disclosing party and the prospective purchaser that complies with the intent and requirements of this Agreement.

Except as stated above, neither party shall use such information for its own benefit, publish or otherwise disclose it to others, or permit its use by others for their benefit or to the detriment of that party.

26. Entire Agreement; Amendments

26.1 The terms and conditions in this Easement constitute the entire agreement between the Grantor and the Grantee respecting the subject matter of this Easement subject to the provisions of clause 26.2.

26.2 Except as stated in the above subclause, the terms and conditions of this Easement shall not be modified or amended except in writing signed by the Grantor and the Grantee. No other purported modifications or amendments, including without limitation any oral agreement, course of conduct or absence of a response to a unilateral communication, shall be binding on either party.

26.3 Should any provision of this Easement be held to be either invalid, void or unenforceable, the remaining provisions shall remain in full force and effect.

26.4 The Grantor and the Grantee shall co-operate in amending this Easement to include any provision that may be reasonably requested by the Grantor or the Grantee for the purpose of more adequately implementing the provisions contained in or contemplated by this Easement.

27. Dispute Resolution and Arbitration

27.1 Pending resolution of any dispute or difference the parties shall continue to perform their respective obligations pursuant to the provisions of this Easement.

27.2 The Grantee and the Grantor agree to attempt to resolve any questions or differences amicably. To assist in identifying and resolving the issues in dispute each party shall give

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written details of the dispute to the other party. The parties shall then meet together to try and resolve the dispute.

27.3 Pending resolution of any dispute or difference the parties shall continue to perform their respective obligations pursuant to the provisions of this Easement.

27.4 If the dispute is not resolved within one month of either party giving written details of the dispute the dispute will be referred to mediation. The mediation appointment and procedure shall be as follows:

(a) The parties will appoint a mediator within 7 days and if they fail to agree the mediator will be appointed by the Chairperson of LEADR (Lawyers Engaged in Alternative Dispute Resolution).

(b) Each party will pay a half share of the cost of the mediator's fee and disbursements.

27.5 If the dispute is not resolved within one month after the mediator has been appointed the parties may proceed to an arbitration. The arbitration appointment and procedure shall be as follows:

(a) The parties will appoint a single arbitrator within 7 days and if they fail to agree the arbitrator will be appointed by the President of the Arbitrators' and Mediators' Institute of NZ.

(b) The arbitration will be conducted in accordance with the Rules and Schedules 1 and 2 of the Arbitration Act 1996.

27.6 Time frames in this clause may be amended by the written agreement of the parties.

27.7 This clause will not apply to a dispute arising in connection with any attempted re-negotiation of this Easement or any application by either party for urgent interlocutory relief.

28. Grantor's Consents

28.1 Wherever consent or approval of the Grantor is required such consent shall not be unreasonably withheld or delayed. Reference to the consent or approval of either party for any purpose shall be construed as to require that consent or approval of such party for each separate occasion.

29. Successors

29.1 This Easement shall be binding on and endure to the benefit of the parties and their respective successors, successors in title, transferees and personal representatives.

30. Waiver

30.1 No delay or omission in the exercise of any right or remedy shall impair such right or remedy or be construed as a waiver.

31. Implied Terms

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31.1 The easement terms set out in Schedule 5 of the Land Transfer Regulations 2018 are not implied into this instrument.

32. **Notices**

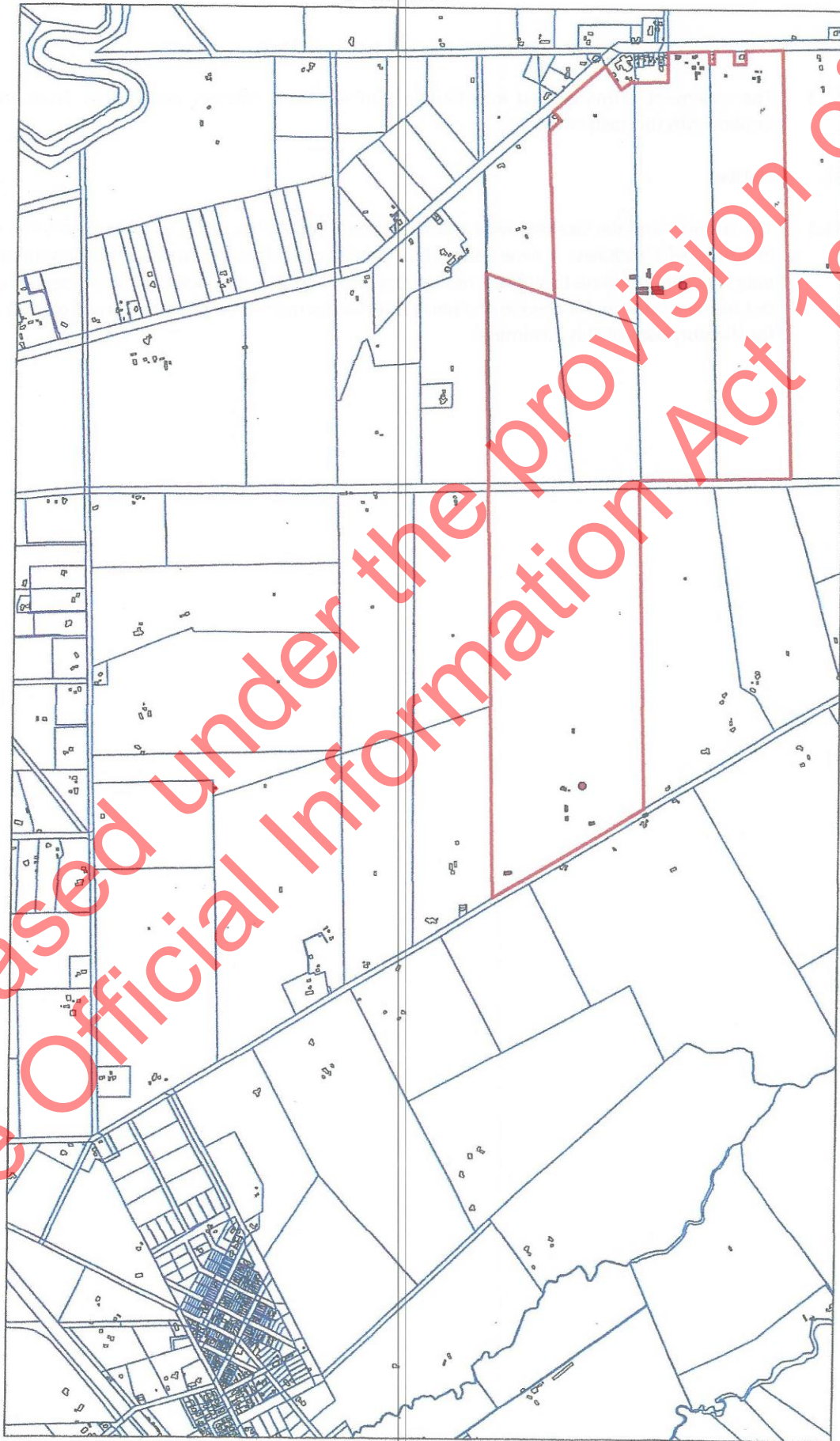
32.1 The Grantor and the Grantee may and shall if required by the other so to do, notify the other in writing of an address in New Zealand for service of notices in respect of this Easement and may from time to time by written notice vary such address. Any notice properly served at the last notified address for service of a party shall be deemed to be properly served on that party for the purposes of this Easement.

Released under the provision of
the Official Information Act 1982

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WAIHOU

SCHEDULE B



KEY
EASEMENT LAND
RETAINED LAND & BUILDINGS



RED LINE BOUNDARY

SCALE - 1:5000 @ A0

RevC

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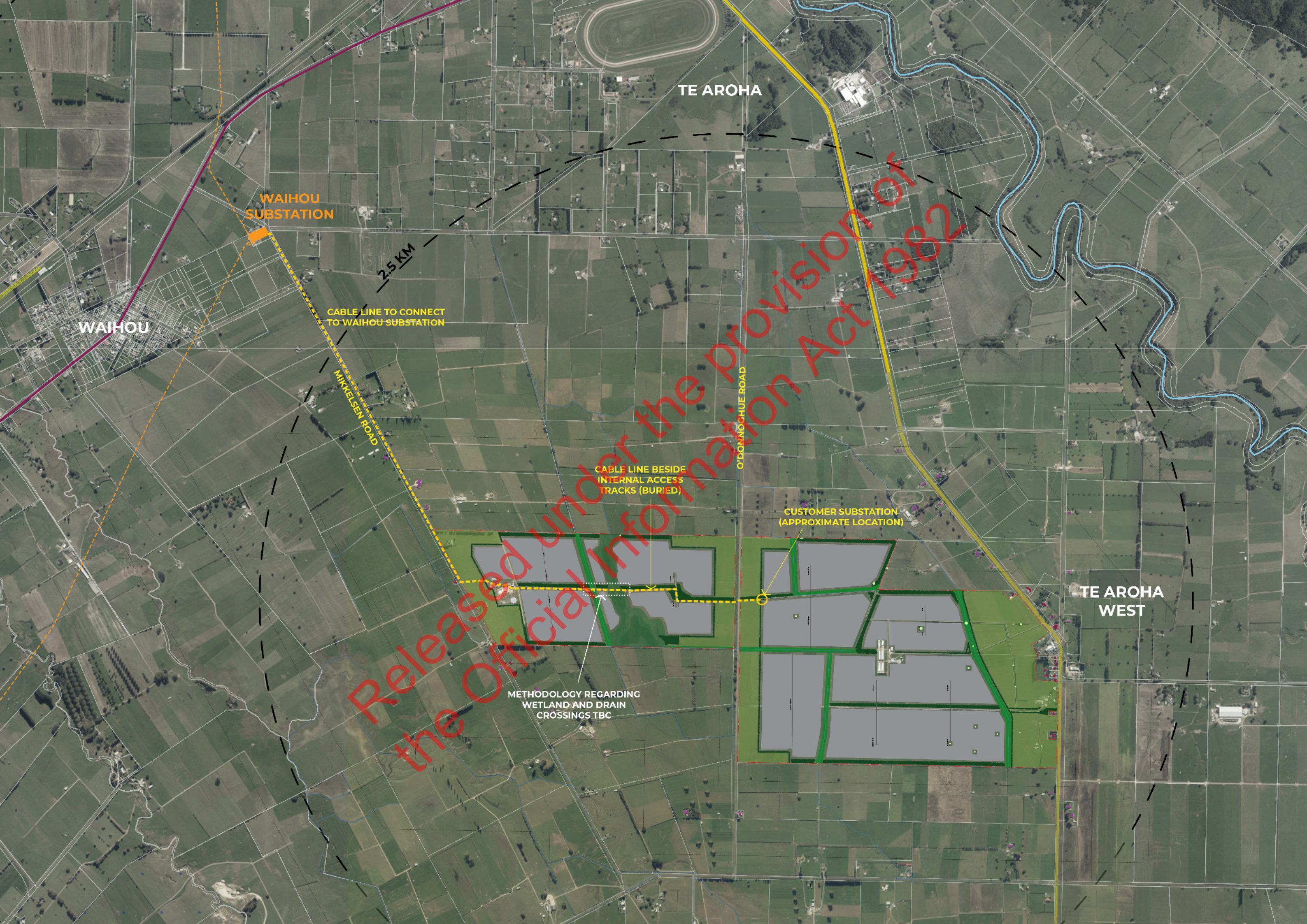
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the Official Information Act 1982

ANNEXURE 1: LAND CONDITION REPORT

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the Official Information Act 1982

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the Official Information Act 1982



TE AROHA

WAIHOU SUBSTATION

WAIHOU

2.5 KM

CABLE LINE TO CONNECT TO WAIHOU SUBSTATION

MIKELSEN ROAD

CABLE LINE BESIDE INTERNAL ACCESS TRACKS (BURIED)

O'DONNOGHUE ROAD

CUSTOMER SUBSTATION (APPROXIMATE LOCATION)

TE AROHA WEST

METHODOLOGY REGARDING WETLAND AND DRAIN CROSSINGS TBC

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TAUHEI Farm Solar Project

Work Phases and Job Creation

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Executive Summary

The Tauhei Farm Solar Project (Project) will employ the following labour hours.

Phase 1: Engineering, procurement and construction

System design and engineering	2720 labour hours
Construction project personnel	35520 labour hours
Installation	880000 labour hours
Testing, commissioning and technical	2160 labour hours

Phase 2: Operation, maintenance and asset management

Operation, maintenance and asset management	14320 labour hours per year for 34 years (excluding sheep farming)
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1 Introduction

GreenEnco Limited has been appointed by Harmony Energy (NZ) Limited to: (i) undertake an assessment of the number of jobs that will be created by the development of the proposed Tauhei Farm Solar Project; and (ii) detail the labour hours that will be employed during the engineering, procurement and construction work phase of the Project and the operations, maintenance and asset management work phase of the Project.

The proposed Tauhei Farm Solar Project is expected to be a 180 MW project. The jobs (and job durations) in this report are reflective of a 100 MW project and are therefore a conservative estimate of the jobs (and job durations) that will be created by the Project.

1.1 GreenEnco Limited

GreenEnco Limited is a technical adviser with extensive experience advising clients in connection with utility scale solar photovoltaic (PV) projects. In total it has advised on over 2.5 GW of utility scale solar PV across 12 countries. GreenEnco is providing Harmony Energy (NZ) Limited with

design services in connection with the Project and has a detailed knowledge of the work that will be involved during the construction and operational periods.

1.2 The Project

Following initial investigation into a number of sites in the Bay of Plenty, Waikato, Auckland and Whangārei in 2019, Harmony Energy identified a suitable site for solar development at Tauhei Farm. Tauhei Farm is suitable due to its proximity to the Waihou sub-station, its topography and its size.

Solar farms do not currently form part of New Zealand's energy mix, however, they offer many advantages over other forms of energy generation and solar farm construction is a sector that is expected to grow. Solar farms provide a natural and inexhaustible source of energy that is clean and low impact, their benefits include:

- Emissions-free electricity generation
- Noise-free electricity generation
- Very low technology risk
- Low maintenance requirements
- Lower environmental impact than wind, hydro and geothermal
- Less weather dependent than wind and hydro (solar works on cloudy days)
- Restoration of farmland
- Enhancement of biodiversity
- Low impact on public amenity
- Diversification of New Zealand's energy mix
- Contributing to New Zealand's 100% renewable energy targets

2 Scope of Works

2.1 Engineering, Procurement and Construction Phase

Engineering

- Plant conceptual design
- Resource assessment
- Civil design
- Instrumental engineering
- Supervision systems
- Electrical and mechanical design
- Environmental engineering
- Social assessments
- Capital estimating
- Supplier technical offer Evaluation
- Permits and licensing
- Technical data archive
- Site Studies and Surveys, System Studies and Calculations
- Geotechnical Study and investigation
- Pull-out Test
- Detailed Topography
- Final Design (Issued for Construction Designs - IFC)
- Bill-of-materials (BOM) development
- AC works/grid code compliance
- QA/QC for construction design
- Field review when installed
- Support during Construction

Project and Contract Management

- Project budgeting, planning, cost control and progress tracking
- EPC quilt (strategy) and contracting
- Contract award and kick-off
- Contract and order management
- Expediting and logistics follow up
- Quality control
- Grid connection agreements
- Claims prevention and response
- Risk management
- HSE
- Field review when installed
- Support during Construction

Construction and Handover

Civil Works

- Vegetation Suppression (Site Cleaning)
- Land Levelling
- Land Levelling Disposal
- Internal Access
- Access Maintenance
- Fence
- Low Voltage Trenches
- High Voltage Trenches
- Drainage System
- Drainage Energy Dissipator

- Mounting structure Pile Driving (or pre-drilling)
- Civil Foundation for Inverter Station
- External Access (m)
- Modules cleaning at end of construction
- O&M Building
- Other Civil Works Items

Electromechanical Works

- Mounting System Installation
- PV Module Installation
- Inverter Installation
- String box Installation
- DC Cables Installation (PV Modules to String box)
- DC Cables Installation (String box to Inverter)
- MV Cables Installation
- Security System Installation (per fence meters)
- Grounding System Installation
- Meteorological Stations
- Monitoring Supervisory Control and Data Acquisition (SCADA) System
- Other Electric/mechanical Items

Project Management

- Site Mobilisation and provision of site offices, warehouse welfare and CONTRACTOR's preliminaries
- Project Management including site supervision, security, HSSE, interfaces, documentation and signage
- Contractor Insurances
- Special Tools

Supervision

- execution monitoring
- Site construction monitoring
- Material Receipt and quality Check
- Warehouse management
- Grid interconnection management
- Health and safety monitoring

Handover

- Plant commissioning
- Handover to O&M
- Testing and Commissioning

2.2 Operations, Maintenance and Asset Management Phase

The operations, maintenance and asset management phase relates to preventative, predictive and corrective maintenance works for asset optimisation. The jobs that need to be done during this phase will last for the life of the Project, which is planned to be 34 years.

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3 Jobs Created and Job Duration

GreenEnco considers that the total duration for engineering, procurement and construction will be in the range of 15 – 18 months. The jobs required to deliver the Scope of Works are listed in the table below.

System Design and Engineering			
Job Title	Weeks	Hrs/Week	Labour Hours
Civil 1	10	40	400
Civil 2	4	40	160
Structural 1	4	40	160
Electrical 1	12	40	480
Electrical 2	10	40	400
Electrical 3	8	40	320
Draftsman	20	40	800

Construction Project Personnel			
Job Title	Weeks	Hrs/Week	Labour Hours
Project Director	4	40	160
Project Controls	20	40	800
Office Administrator	10	40	400
Process Support	10	40	400
Project Manager	78	40	3120
Construction Manager 1	78	40	3120
Construction Manager 2	78	40	3120
General Superintendent	78	40	3120
Project Engineer	78	40	3120
Civil/Structural Superintendent	35	40	1400

Mechanical Superintendent	35	40	1400
Electrical Superintendent 1	60	40	2400
Electrical Superintendent 2	60	40	2400
Commissioning Manager 1	12	40	480
Commissioning Manager 2	12	40	480
Quality Engineer - Structural/Civil	50	40	2000
Quality Engineer - Electrical	50	40	2000
Quality Manager	30	40	1200
Safety Manager	30	40	1200
Quality Inspector	10	40	400
Safety Inspector	10	40	400
Logistics Manager	40	40	1600
Purchasing Coordinator	20	40	800

Installation				
Job Title	Number of people	Weeks	Hrs/Week	Labour Hours
Mechanical installation team	250	20	40	200000
Civil installation team	175	50	40	350000
Electrical installation team	150	55	40	330000

Testing & commissioning and Technical Advisor			
Job Title	Weeks	Hrs/Week	Labour Hours
Testing and commissioning engineer 1	12	40	480
Testing and commissioning engineer 1	12	40	480
Testing and commissioning engineer 1	12	40	480

Testing and commissioning engineer 1	12	40	480
Technical Advisor	6	40	240

The personnel listed below are required for the life of the Project (34 years).

Operation & Maintenance and Asset Management			
Job Title	Weeks	Hrs/Week	Labour Hours
<i>Full Time - calculated on an annual basis</i>			
Operation & Maintenance Technician 2	52	40	2080
Operation & Maintenance Technician 2	52	40	2080
Data monitoring	52	40	2080
Asset Manager - Commercial	52	40	2080
Asset Manager - Technical	52	40	2080
<i>Part Time - calculated on an annual basis</i>			
HV Engineer	52	10	520
Finance and Administration 1	52	20	1040
Finance and Administration 2	52	20	1040
Module cleaning 1	15	30	450
Module cleaning 2	15	30	450
Grass cutter 1	7	30	210
Grass cutter 2	7	30	210
Testing Engineer	7	30	210
Technical Audit	1	30	30
Thermal inspection surveyor	5	30	150